

20 April 2011

Excellency,

In its resolution 65/171 of 20 December 2010 on the Fourth United Nations Conference on the Least Developed Countries (LDC-IV), the General Assembly requested the President of the General Assembly to organize, before the second session of the Intergovernmental Preparatory Committee, a day of informal interactive hearings with civil society actors, in consultation with Member States, in particular the least developed countries, the Bureau of the Intergovernmental Preparatory Committee, and the Civil Society Steering Committee for LDC-IV.

By the same resolution, the General Assembly requested the President of the General Assembly to prepare a summary of the hearings, to be issued as a General Assembly document prior to the Conference.

Please see attached an advance, unedited version of the summary of the hearings. The summary will be issued as a General Assembly document in a few weeks.

Please accept, Excellency, the assurances of my highest consideration.

Joseph Deiss

All Permanent Representatives and Permanent Observers to the United Nations New York

1. INTRODUCTION

- 1. The General Assembly, by its resolution 65/171 of 20 December 2010, decided to convene the Fourth United Nations Conference on the Least Developed Countries (LDC-IV) from 9 to 13 May 2011 in Istanbul, Turkey, to, among others things, undertake a comprehensive appraisal of the implementation of the Brussels Programme of Action by the least developed countries (LDCs) and their development partners, and to formulate and adopt a renewed partnership between the least developed countries and their development partners.
- 2. In its resolution, the General Assembly requested the President of the General Assembly to organize, before the second session of the Intergovernmental Preparatory Committee, a day of informal interactive hearings with civil society actors, in consultation with Member States, in particular the least developed countries, the Bureau of the Intergovernmental Preparatory Committee, and the Civil Society Steering Committee for LDC-IV. By the same resolution, the General Assembly invited the President of the General Assembly and the Secretary-General of the Conference to jointly preside over the informal interactive hearings with civil society actors.
- 3. The objective of the one-day hearings was to give an opportunity for NGOs and other civil society representatives to interact and discuss with Member States on the issue of building productive capacity and resilience in LDCs, and provide an opportunity for the participants to make concrete and specific inputs to the preparatory process for LDC-IV.
- 4. The interactive hearing was organized into three thematic sessions, and established specific themes and selected speakers for the sessions. The themes identified highlighted key aspects related to the advancement of LDCs, while also emphasizing the interrelated nature of the LDC development agenda within the broader international development agenda.
- Discussions throughout the sessions aimed for action-oriented strategies for LDC graduation. Attention was given to the interrelationship between these actions and strategies and the structural constraints of the LDCs.
- 6. The overall theme of the one-day informal interactive hearings was "Building Productive Capacity and Resilience in LDCs." The session was opened by the Acting President of the General Assembly and the Secretary-General of the LDC-IV Conference. Opening statements were also made by the Permanent Representative of Finland to the United Nations, as the Chair of the Intergovernmental Preparatory Committee for the Fourth United Nations Conference on the Least Developed Countries, the Permanent Representative of Nepal to the United Nations, as the Chair of the Global LDC Coordination Bureau, the Permanent Representative of Turkey to the United Nations, and the Global Coordinator of LDC Watch, Chair of the Civil Society Steering Committee.

- 7. In her capacity as Acting President of the General Assembly, the Permanent Representative of the Gambia to the United Nations and the Secretary-General of LDC-IV co-chaired the three thematic interactive sessions. The themes of each session were as follows: Session 1: Harnessing Productive Resources for Sustainable Development; Session 2: Enhancing Productive Capacity and Resilience against Global Crises; Session 3: Promoting Good Governance and Effective Monitoring Mechanisms for Development. Each session was comprised of statements by speakers and respondents from civil society organizations followed by interaction and an exchange of views with participating Member States.
- 8. At the closing session of the hearings, the Chair of the Civil Society Steering Committee presented a summary of the Global Civil Society Report which provides grassroots-level policy analysis and recommendations of the most pertinent issues in least developed countries. This was followed by a closing statement by the Acting President of the General Assembly. She commended the level of expertise and the practicality of policy recommendations made during the hearings. She encouraged that partnership and dialogue between Member States and civil society should be strengthened beyond the LDC-IV Conference.

II. KEY FINDINGS

- 9. All stakeholders acknowledge the critical role of civil society in the implementation and follow-up of the next Programme of Action for the least developed countries. Civil society is well positioned to ensure that Member States and other development partners are held accountable after the adoption of the new Plan of Action. There is a need to ensure that a strong follow-up mechanism is established after the adoption of the new Programme of Action which is cognizant of the vital role of civil society in ensuring its successful implementation.
- 10. Participants underscored that the upcoming Programme of Action should not replicate the shortcomings of the previous action plans, but instead aim to adopt specific, concrete and realistic commitments.
- 11. The next Programme of Action should place gender equity at the core of commitments by Member States. There is an urgent need for a new set of 'ground rules' based on a 'social contract' that places both men and women at the heart of development policies. To do so, participants called for greater investment in the education and training of girls and women. Participants stressed that women and girls in the LDCs are disproportionately affected by poverty and that urgent measures were necessary to address inequality in access to land, capital and markets.
- 12. Participants urged development partners to deliver on standing commitments pointing out that a greater focus is needed to ensure the delivery of aid promises.
 - For the Statements during the Hearing, please visit: https://www.un.org/wcm/content/site/Idc/lang/en/pid/16411

- 13. While there are enhanced efforts to harness the potential benefits of South-South cooperation, participants emphasized the need for traditional official development aid mechanisms to remain in place. South-South cooperation should be bolstered in the area of aid, trade, and investment at national, regional and global levels.
- 14. Agricultural development remains a key tool in the sustainable development of LDCs. Food security and 'food sovereignty' are paramount concerns which could be partially addressed by affording small farmers more leverage. Agricultural subsidies in developed countries continue to be serious impediments to agricultural development in the least developed countries. Participants called for the slashing of such subsidies.
- 15. Strong national and international policy interventions are needed to address climate change and its impact on vulnerable populations. National governments should insist on 'climate justice' given that poorer nations are disproportionably affected by the devastating impact of climate change. Participants called on industrialized nations to commit to 'deep, drastic, and unconditional' cuts in carbon and GHG emissions through domestic measures. This must be expressed in international and legally-binding agreements and provide non-conditional and non-debt public finance programmes to cover the full costs of adaptation for the least developed countries.
- 16. The group of 48 least developed countries spends over \$6 billion annually on debt servicing. In many LDCs, more money is spent on debt servicing than on essential services like education, healthcare, water and sanitation, and energy. Participants stressed the need for a total write-off of debt. Any debt review process should be open and participatory.
- 17. Participants called for the restructuring of the international financial system arguing that the operations of international financial institutions ought to be thoroughly evaluated and fundamental changes undertaken to ensure that these institutions serve countries with inherent economic structural weaknesses.
- 18. In terms of global economic governance, participants called attention to the lack of representation for least developed countries in forums like the G20 and that the Bretton Woods Institutions do not use 'least developed country' as a definitional term. It must be made clearer how these institutions will work with LDCs in partnership and respecting their national ownership.
- 19. Greater attention should be paid to the critical role of a developmental state. More and better aid in the form of untied grants and other financial resources to invest in productive capacity and human development are needed.
- 20. Addressing economic inequality should also be placed at the top of the agenda among stakeholders. A binding framework for finance and business practices that could eliminate unfair distribution of revenue from extraction of natural resources, foreign direct investment (FDI) and further debt responsibility after Heavily Indebted Poor Countries (HIPC) would be an important breakthrough.
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- 21. Some LDCs already had successful practices in adopting innovative financing for their development. Such innovative financing mechanisms should be expanded to more LDCs, especially in the key sectors, such as infrastructure building, sustainable development, trade etc.
- 22. The role of innovative financing for development is a compliment to official development assistance (ODA) for creating a stable and predictable source of financing for development. It is important to reaffirm the responsibility of States, multilateral institutions, and all stakeholders in the global market to buttress the effort in innovative financing.
- 23. Participants acknowledged that progress has been made towards greater transparency and democratic practices in the least developed countries and that many LDCs have the potential to build on these successes. However greater support to strengthen ongoing democratic reforms was needed.
- 24. Participants called on Member States to increase funding for the development of productive capacity in LDCs. It is strongly believed that the transformation of LDCs' productive capacity is at the core of efforts to achieve economic growth and sustainable development.
- 25. Small and medium size enterprises should be encouraged and nurtured as a means of assisting with the raising of domestic resources for development.
- 26. Participants highlighted the unique capacity of civil society to forge broad-based coalitions that transcend borders, running from the grassroots to the international level. It was recommended that these cross-border networks be put to use in the the service of the development of the LDCs.

III. Interactive Sessions

A. Cross-cutting themes

The one-day interactive hearings touched on a number of cross-cutting issues and provided tangible measures to resolve the current difficulties and challenges facing the least developed countries. These included: (1) sustainable development; (2) productive capacity; (3) resilience building; (4) good governance; (5) monitoring mechanisms.

1. Sustainable development

- 27. Participants stressed that additional international support measures were vital for the successful implementation of the new Programme of Action to be adopted in Istanbul.
- 28. Many participants underscored that the sustainable development of the least developed countries was undermined by the negative impact of climate change which has resulted in food insecurity, drought and fatalities in the LDCs. It was
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- pointed out that the LDCs inevitably bear the brunt of climate change despite having contributed very little to the current emissions.
- 29. It was suggested that a genuine and meaningful strategy be employed by local and international stakeholders to urgently address the use of safe renewable energy.
- 30. It was recognized that the provision of adequate sanitation and water is central to the achievement of all of the Millennium Development Goals as it provides a strong platform for job creation and economic development. The least developed countries, donors, international organizations and civil society are encouraged to pursue steps to make sanitation and water delivery central to development strategies.

2. Productive capacity

- 31. Given that the majority of populations in the least developed countries live in rural areas, the lack of agricultural productive capacity is a major drawback. Many participants called for increased financial support for the development of research institutions which would enable the LDCs to develop and deploy local knowledge to address issues such as climate change, desertification, cyclical famine and recurrent food crises. Many participants stressed that 'food sovereignty' as a concept must be integrated into the future Programme of Action for the least developed countries.
- 32. Many participants highlighted that the issue of gender equality should before grounded when considerations of productive capacity are raised. Women continue to play a pivotal role in the management of natural resources, yet the funding for women to initiate start-up businesses is limited. Further, the lack of female access to land is an ongoing and grave concern.
- 33. Many participants urged for a sharper focus on support measures for poor farmers which would enable the production of the bulk of agricultural output and increase access to international markets. Participants noted that the small islands developing states (SIDS) are particularly vulnerable to internal and external shocks and that given their smallness and remoteness, SIDS have limited access to global trade. Food insecurity, rising sea-levels and the persistent threat of natural disasters made it even more urgent that these countries accelerate their efforts in the building of productive capacity.

3. Resilience building

- 34. Growing disaster risk reduction and lack of capacity to effectively respond to natural disasters continue to pose challenges in all LDCs, small island LDCs in particular.
- 35. Governments were encouraged to recognize the role of CSOs as partners to avert crises.
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36. Participants urged Member States to provide adequate resources to build muchneeded capacity to produce greater resilience against global crises.

4. Monitoring mechanisms

- 37. Many participants highlighted that it is imperative for donor countries to fulfill their ODA commitments. Debt cancellation, quota free, duty free access of all goods from the LDCs, and increased trading opportunities should be addressed to ensure transformation of the LDCs.
- 38. LDC-IV aims to strengthen international development cooperation, which includes deepening existing ties between the United Nations and civil society.
- 39. It is critical to recognize that civil society lacks the necessary skills and financial resources to monitor and implement certain development projects. In this regard, development partners are called upon to support the active engagement of civil society organizations in the follow-up and monitoring of the next Programme of Action for the LDCs.

B. First Session: Harnessing Productive Resources for Sustainable Development

1. Partnership

- 40. Participants noted the importance of civil society's active participation in the implementation and follow-up of the Fourth Plan of Action for the least developed countries. More importantly, participants noted that the next Plan of Action should focus specifically on concrete and realistic deliverables which are time-bound and measurable.
- 41. Many participants stressed that one of the core functions of civil society is to hold Member States accountable for their actions after the adoption of the new Plan of Action in Istanbul.

2. Gender

42. Participants reiterated that gender equality remains at the heart of development policy and should be recognized as a pivotal consideration when Member States are developing strategies to tackle poverty in the LDCs. Mainstreaming gender into the next Programme of Action should be a priority of Member States.

3. South-South

- 43. Participants also acknowledged the catalytic role of South-South cooperation, but emphasized the need for ongoing support from traditional development partners.
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C. Second Session: Enhancing Productive Capacity and Resilience against Global Crises

1. Climate Change

- 44. Many participants highlighted the deleterious effects of climate change on the least developed countries and noted the myriad effects on socio-economic development. Among the concerns raised was the recurrence of drought conditions which led to cyclical food shortages. Many participants further emphasized the need for 'climate justice'. It was recommended that spending on the military be cut and that savings be channeled to finance development in order to combat climate change.
- 45. In the context of climate change, the fate of small island developing states (SIDS) was highlighted. Many participants noted that the SIDS are exposed to natural disasters disproportionately which leads to extreme vulnerability. There was a need for further emphasis on disaster prevention and mitigation. Also, recovery systems need to be strengthened after the crises, especially in the agricultural sector.

2. Entrepreneurship

46. Many participants called for greater investment and emphasis on the creation of small enterprises given that they represent as much as 60 percent of income for poor households in some of the least developed countries. The growth of small businesses in the LDCs helps to promote productive capacity and build resilience against global shocks.

3. Agriculture

47. Many participants underscored that agriculture should focus on the principal of 'food and agricultural sovereignty'. The issue of land rights was also raised as a key concern.

4. Gender

48. The need for improved measures to ensure gender equity was raised by a number of participants. Participants called for policies in the LDCs to be sensitive to women and to ensure that these sensitivities are carried out when policies are decided. Of particular concern was the need to acknowledge the extent to which the lack of property rights contributed to the poverty of women. The abuse of women and the treatment of women in conflict were noted as chief concerns.

5. Innovative Financing

49. Commitments to enhance resilience and productive capacity need to be backed up by appropriate funding. Many participants expressed their support for financial transaction taxes, noting that LDCs would benefit from them through the enhanced potential to contribute to increased revenue as well as the regulation and reduced volatility of financial asset prices that harms productive development in the most vulnerable countries. The potential benefit through the enhanced use of Special Drawing Rights (SDRs) was also noted.

6. Trade as a Tool for Financial Resilience

- 50. LDCs need to be able to make the most out of their trade at a time when trade is likely to diminish due to depressed markets in traditional importing countries due to slow economic growth and reduced spending. LDCs efforts to reorient their production to sources of regional and domestic demand and to diversify their export base across sectors should be supported, wherever this transition is feasible.
- 51. The outcome of LDC-IV should also support efforts to enhance the taxation, exchange rate, investment and aid policies that can allow countries to gradually ensure a greater share of the value of trade remains in the domestic economy.

D. Third Session: Promoting Good Governance and Effective Monitoring Mechanisms for Development

- 52. Many participants raised concerns about the negligible impact of the Brussels Programme of Action on the daily lives of people in the LDCs. It was noted that the implementation of the BPoA has been more challenging with the advent of the global economic and financial crises. Participants stressed that sustainable development is very important in building stronger communities, noting that one country's practice affects neighboring countries.
- 53. Many participants also mentioned that an enabling international trading system, transfer of technology and information, and debt cancellation promises have not been kept by many donor countries.
- 54. Many participants underscored that good governance and democracy are to be demanded with continuous financial commitment from development partners and international institutions. It was expressed that reducing volatility and unpredictability in financial markets reduces risks and allows for the mobilization of new energies in such a way that no country and no vulnerable person needs to be left behind.

- 55. Governance is a collective responsibility of governments, civil society, private sector and the public in general. Many participants encouraged development partners to support the greater involvement of civil society in the building of public institutions and in practice, channel aid towards civil society groups that further this end.
- 56. Many participants urged LDCs countries to build the capacity of local CSOs on issues of governance. There is a much needed effort to implement concrete steps to include CSO in the implementation of government projects as a component of social accountability.
- 57. Participants recognize that one of the top priorities in the next Programme of Action should be strengthening the exchange of views between governments and civil society on issues of governance and rule of law. There was an emphasis on the need to fully integrate civil society in the monitoring of measures implemented to achieve improved governance in the least developed countries.
- 58. Many participants noted that a key function of civil society organizations is exerting pressure on governments to improve transparency. Therefore to foster this vital role, capacity building programmes are needed to ensure that CSOs have the necessary skills to participate in the technical evaluation of government initiatives.